

Hearing Date and Time: September 27, 2007 at 10:00 a.m.
Objection Deadline: September 20, 2007 at 4:00 p.m.

Sarah F. Sparrow (NC State Bar No. 13112)
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Attorneys for TK Holdings Inc.

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

-----	X	
)	
In Re:)	Chapter 11
)	
DELPHI CORPORATION, <i>et al.</i> ,)	Case No. 05-44481 (RDD)
)	
Debtors.)	(Jointly Administered)
-----	X	

**RESPONSE BY TK HOLDINGS, INC. TO MOTION FOR ORDER PURSUANT TO 11
U.S.C. §§105(a) AND 502(c) (A) ESTIMATING AND SETTING MAXIMUM CAP ON
CERTAIN CONTINGENT OR UNLIQUIDATED CLAIMS AND (B) APPROVING
EXPEDITED CLAIMS ESTIMATION PROCEDURES**

NOW COMES TK Holdings Inc. ("TKH"), a party to an executory contract with the Debtor Delphi Technologies, Inc., and responds to the Debtors' **Motion for Order pursuant to 11 U.S.C. §§105(a) and 502(c) (A) Estimating and Setting Maximum Cap on Certain contingent or Unliquidated Claims and (B) Approving Expedited Claims Estimation Procedures** (the "Claims Estimation Motion") in regard to TKH's Claim No. 10964 filed against Delphi Technologies, Inc. The Debtors have asserted that the claim will be valued at "0" for the purpose of voting on the Plan and setting a maximum cap for an unliquidated claim. The Debtors further allege that they are not setting the amount for allowance of the claim. However, in footnote 10, the Debtors

indicate that the estimation will limit the distribution under the Plan. TKH objects to the estimation of its claim at “0” and to its treatment as proposed by the Debtors. In support thereof, TKH shows the Court the following:

1. The proof of claim is based upon an executory contract dated November 12, 2001 which has not been rejected as of this date. The proof of claim was filed as a contingent unliquidated claim in an undetermined amount as a protective filing to preserve all of TKH’s rights. Delphi Technologies, Inc. entered into an agreement dated November 12, 2001 with TKH. Delphi Technologies scheduled the 11/21/01 Agreement on its Schedule G, Schedule of Executory Contracts. The terms of the Agreement prevent TKH from filing the agreement. However, TKH has provided Debtors’ counsel with a copy of the agreement by letter dated December 8, 2006. No response has been received with regard to this letter.

2. The agreement is an executory contract which is being performed postpetition. TKH cannot determine its damages so long as the executory contract is being performed and has not been rejected.

3. Estimation of the proof of claim at this stage in the proceedings is premature until Delphi Technologies, Inc. determines whether it will assume or reject the executory contract.

4. TKH’s counsel has contacted Debtors’ counsel Lisa Diaz and the parties have resolved TKH’s objection consensually through a modification to the proposed order. Delphi agreed that TKH could have until September 24, 2007, to respond while the parties attempted to reach a consensual resolution of the objection.

5. TKH reserves all its rights under 11 U.S.C. §365 in the event the Debtors reject the executory contract.

WHEREFORE, TKH respectfully requests that the Court allow the modification in the proposed order as agreed to by the parties.

Dated: September 21, 2007
Greensboro, NC

Respectfully submitted,

TUGGLE DUGGINS & MESCHAN, P.A.

By: /s/ Sarah F. Sparrow

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Attorneys for TK Holdings Inc.

¹ Admitted to practice *pro hac vice* per Order dated November 21, 2006 (Dkt. #5608).

CERTIFICATE OF SERVICE

THIS IS TO CERTIFY that the undersigned served a copy of the foregoing **Response by TK Holdings, Inc. to Motion for Order pursuant to 11 U.S.C. §§105(a) and 502(c) (A) Estimating and Setting Maximum Cap on Certain contingent or Unliquidated Claims and (B) Approving Expedited Claims Estimation Procedures** by Federal Express to the parties in interest as shown below, at addresses identified in the Notice of Motion for Order Pursuant to 11 U.S.C. §§105(a) and 502(c) (A) Estimating and Setting Maximum Cap on Certain Contingent or Unliquidated Claims and (B) Approving Procedures for Expedited Estimation (the “Notice”), and electronically by the Court’s ECF System.

Delphi Corporation
Attn: General Counsel
5725 Delphi Drive
Troy, MI 48098

Davis Polk & Wardwell
Attn: Donald Bernstein and Brian Resnick
450 Lexington Avenue
New York, NY 10017

Skadden, Arps, Slate, Meagher & Flom LLP
Attn: John Wm. Butler, Jr.
333 West Wacker Drive, Suite 2100
Chicago, IL 60606

Latham & Watkins LLP
Attn: Robert J. Rosenberg and Mark A. Broude
885 Third Avenue
New York, NY 10022

Fried, Frank, Harris, Shriver & Jacobson LLP
Attn: Bonnie Steingart
One New York Plaza
New York, NY 10004

Office of the United States Trustee
Southern District of New York
Attn: Alicia M. Leonhard
33 Whitehall Street, Suite 2100
New York, NY 10004

In addition, the undersigned submitted a copy, as required by the Notice, by Federal Express to the following:

The Honorable Robert D. Drain
United States Bankruptcy Judge
United States Bankruptcy Court
Southern District of New York
One Bowling Green, Room 632
New York, NY 10004

This the 21st day of September, 2007.

/s/ Sarah F. Sparrow
Sarah F. Sparrow